GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:677
ANSWERED ON:26.02.2016
Banned on Sending Money
Ramachandran Shri Krishnan Narayanasamy

Will the Minister of FINANCE be pleased to state:

(a) whether the Government has banned sending of money by parents to their children studying abroad;
(b) if so, the details thereof along with the reasons therefor
(c) whether the Government has received any complaints from such parents residing in rural areas of the country and if so, the details thereof; and
(d) the steps taken by the Government to remove the difficulties being faced by the rural poor in this regard?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI JAYANT SINHA)
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(a) to (d): No Madam. Under the Liberalised Remittance Scheme (LRS), all resident individuals, including minors, are allowed to freely remit up to USD 2, 50,000 per financial year for any permissible current or capital account transaction or a combination of both. These include the purpose of education/higher studies. As per first proviso to Para 1 of Schedule III to Foreign Exchange Management (Current Account Transaction) Rules, 2000 dated May 3, 2000 as amended from time to time, the remittances of higher education can be made by a resident individual under Liberalised Remittance Scheme (LRS), up to the limit prescribed by the Overseas University.